This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS THE HAGUE 001876

SIPDIS

STATE FOR G, OES, OES/EGC, EUR/UBI, EUR/ERA EPA/OIA FOR PAULO ALMEIDA

E.O. 12958: N/A

TAGS: <u>SENV PREL ENRG ECON NL</u>
SUBJECT: CLIMATE CHANGE: ENVIRONMENT MINISTRY FUNDS

PROJECTS ABROAD

REF: THE HAGUE 1144

- 11. DUTCH ENVIRONMENT MINISTER PRONK TOLD THE DUTCH PARLIAMENT ON JUNE 20 THAT THE GOVERNMENT HAD DECIDED THAT HIS MINISTRY, RATHER THAN THE DEVELOPMENT COOPERATION MINISTRY, SHOULD FINANCE CLIMATE CHANGE PROJECTS IN DEVELOPING COUNTRIES. ACCORDING TO PRONK, THIS REQUIRES A CHANGE IN THE GOVERNMENT COALITION ACCORD OF 1998.
- $\P2$ . THE 1998 COALITION ACCORD STIPULATED THAT THE NETHERLANDS MUST REALIZE HALF OF ITS GHG REDUCTIONS THROUGH USE OF FLEXIBLE INSTRUMENTS ABROAD. FOR CLEAN DEVELOPMENT MECHANISM (CDM) PROJECTS, THE GOVERNMENT HAD SET ASIDE SOME 250 MILLION DOLLARS FOR 2001 AND 2002, WHICH HAD TO COME FROM THE DEVELOPMENT ASSISTANCE BUDGET.
- 13. PRONK, WHO AT THE TIME OF THE COALITION AGREEMENT WAS MINISTER FOR DEVELOPMENT COOPERATION, SHARPLY OPPOSED USING AID FUNDS FOR ENVIRONMENTAL PROJECTS. DID ALL EU MEMBER-STATES.
- 14. IT NOW SEEMS THAT, AFTER TWO YEARS, THE GOVERNMENT HAS GIVEN IN TO NATIONAL AND INTERNATIONAL CRITICISM. DUTCH FINANCE MINISTER ZALM WILL GIVE PRONK AN EXTRA 250 MILLION DOLLARS, TO BE FINANCED FROM CURRENT DUTCH BUDGET SURPLUSES.
- DUTCH NEWSPAPERS COMMENT THAT THE MEASURE WAS TAKEN TO ENHANCE PRONK'S CREDIBILITY AS CHAIRMAN OF COP-6. PRONK TOLD PARLIAMENT THAT HE WANTS TO KEEP "ALL CARDS ON THE TABLE AND ALL BALLS IN THE AIR" AT THE CONFERENCE. HE SAID THAT HE WANTS AS MANY COUNTRIES AS POSSIBLE TO AGREE ON CONCRETE MEASURES TO PROTECT THE CLIMATE, AND, ALSO, HE SEEKS US SUPPORT FOR STRONG MEASURES TO LIMIT GHG EMISSIONS. SCHNETDER